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TAGS: [PREL](#) [KWBG](#) [KPAL](#) [IS](#) [SY](#)
SUBJECT: FELTMAN-SHAPIRO MARCH 7 DISCUSSIONS WITH SYRIAN FM
MUALLIM ON GAZA, PALESTINIAN RECONCILIATION

Classified By: CDA Maura Connelly for reasons 1.4 b, d.

11. (S/NF) Summary: Acting NEA A/S Feltman and NSC NENA Senior Director Shapiro emphasized the strong U.S. commitment to achieving a two-state Israeli-Palestinian solution and providing humanitarian relief for Gazans, as demonstrated by the appointment of Special Envoy Mitchell and the U.S. pledge of \$900 million to reconstruct Gaza. Muallim said Syria had worked to promote a durable ceasefire in Gaza, facilitate a Hamas-Israeli prisoner exchange, and support Palestinian reconciliation. Syrian influence had helped convince Hamas leaders to make public statements that represented indirect recognition of Israel and acceptance of a peace agreement with Israel, subject to its ratification by a Palestinian referendum. Feltman and Shapiro argued Syria should use its influence with Hamas to do more. Hamas actions and rhetoric had undermined efforts to promote peace. Muallim stressed Syria was seeking to find a constructive approach to integrate Hamas into Palestinian Authority (PA) and PLO structures because not doing so would trigger another Gaza conflict, which would be bad for the whole region. After the meeting, Feltman met Muallim one-on-one and argued it would be insufficient for Hamas to make constructive statements only after the formation of a reconciliation government. He said there might be Fatah gestures coming and it would be helpful if Syria could press Hamas to make positive gestures during the course of reconciliation discussions. End Summary.

12. (S/NF) Acting NEA A/S Jeffrey Feltman and NSC Senior Director for the Near East and North Africa Dan Shapiro met for three-and-a-half hours on March 7 with Syrian Foreign Minister Walid Muallim, Vice FM Faisal Miqdad, and Presidential Advisor for Political and Media Affairs Bouthaina Shaaban. Feltman's delegation was accompanied by Charge and Pol/Econ Chief (notetaker.) Feltman and Shapiro's central message was that the U.S. administration was pursuing sustained and principled engagement with Syria and other countries as a matter of policy. The President and Secretary did not view engagement as a reward, but rather as a tool for achieving concrete objectives. This cable reports on the parts of the discussion that dealt with Gaza, Palestinian-Israeli issues, and Palestinian reconciliation. It should be read in conjunction with septels on discussions regarding Arab-Israeli comprehensive peace issues, Iraq, Iran, Lebanon, and Embassy Damascus operations.

Gaza Ceasefire and Prisoner Exchange

13. (S/NF) Feltman commented that the Secretary's message at the March 2 Gaza Reconstruction Conference in Sharm el Sheikh sought to convey a serious U.S. intent to promote a two-state solution. For Arab countries, the U.S. wanted to provide assurances that it would be actively engaging in the region, while for Israel the U.S. was attempting not to say anything that would appear as interference in the government formation process. Senator Mitchell was understandably focused on the Palestinian track in the aftermath of the Gaza crisis, but it was important to understand his mandate also included promoting peace between Israel and its neighbors, including Syria and Lebanon, Feltman said.

14. (S/NF) Muallim replied Syria was not in competition with Egypt on the Palestinian file and recognized geography made Egypt a natural player in Gaza. But Syria had focused on helping Hamas and other groups, such as the Palestinian Islamic Jihad (PIJ), which were present in Gaza. In coordination with Turkey, Syria had sought to promote a sustainable ceasefire. Muallim said when then-PM Olmert had announced a unilateral Israeli ceasefire in Gaza, he (Muallim) had worked with Turkey to encourage Hamas leaders to announce their own unilateral ceasefire. Syria recognized that the previous June 2008 ceasefire agreement lacked a clause for renewal and had at that time recommended to Egypt to insert language allowing for an automatic renewal if both sides agreed. The ceasefire in Cyprus, which started initially with a duration of six months but contained a renewal clause, had lasted 35 years, Muallim explained, so why not start with an 18-month ceasefire in Gaza and allow

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for its extension? Hamas, he added, had accepted this language, so long as Israel agreed to the opening of all border crossings and new security arrangements at Rafah. Syria had also advised Hamas, in coordination with France and Qatar, on a prisoner exchange deal with Israel, but achieving a ceasefire should be the priority, followed by measures to ease suffering in Gaza, Muallim said. Muallim noted he had discussed these issues with Saudi King Abdullah and the Syrians and Saudis were in agreement on these points.

Palestinian Reconciliation

15. (S/NF) Syria had agreed to participate in the March 2 Sharm conference and wanted to play a positive role in encouraging Palestinian unity, Muallim continued. The SARG had urged Hamas to participate in reconciliation talks in Cairo, in part because Damascus had sensed, but still was not sure, the idea of Palestinian reconciliation was no longer a "red line" for U.S. policy. Saudi FM Saud al-Faisal had told Syrian leaders earlier that week that Riyadh was also working to push the Palestinians to work out their differences. Shaaban interjected that U.S. statements in favor of engagement somewhat contradicted its position on Hamas. The Arab states have committed to recognizing Israel's security, yet the Secretary refrained from commenting on both Israel's reluctance to open the Gaza borders fully and the continued expansion of Israeli settlements in the West Bank, she said.

16. (S/NF) Feltman stressed the President's commitment to a two-state solution and comprehensive peace at a time when many U.S. commentators believed his sole focus should be on the U.S. economy. The administration had pledged \$900 million to Gaza reconstruction. The Secretary's public remarks in Sharm were firm on the objective of a two-state solution and expressed empathy with the plight and suffering of the Palestinian people.

Dealing with Hamas

17. (S/NF) Feltman said that Washington's policy review was looking at Palestinian reconciliation in terms of whether it advanced the objectives of a two-state solution and comprehensive peace. The U.S. believed the Palestinians needed transparent and accountable political institutions to achieve their ambitions for an independent state. Washington regarded the Quartet principles as a means of achieving these goals rather than as a set of insurmountable obstacles. The PLO had met the Quartet requirements, so why not Hamas? Without concrete Hamas gestures to show it was ready to govern responsibly and negotiate with Israel, the international community would lack confidence that Hamas would be willing or able to engage Israel as a partner or to manage funds from international donors responsibly, Feltman explained.

18. (S/NF) Muallim replied the Quartet principles would not work because Hamas was not willing to accept them as preconditions. Hamas, he said, had won the 2006 Palestinian elections, which were judged free and fair by U.S. and international observers. But the international community had ignored the results and chose not to deal with Hamas. Hamas remained the actual power in Gaza. A merger of the Palestinian Authority and Hamas was the only way forward. PA President Mahmoud Abbas's term had expired, added Shaaban, stressing Syria wanted to maintain good relations with Abbas but believed it was up to the PA to reach a realistic agreement with Hamas.

19. (S/NF) Against this backdrop, Muallim said, imposing demands on Hamas would only complicate the situation. "But if you ask us to work constructively to achieve the same goals, ok," commented Muallim. Syria and Turkey had cooperated to educate Hamas politically. At their urging, Hamas leaders had made statements that were tantamount to indirect recognition of Israel and acceptance of any future peace

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agreements so long as they were ratified by a Palestinian referendum. Was it more useful to keep Hamas out of government or teach it how to be part of the political process? asked Muallim. Senator Mitchell had dealt with all the parties in Northern Ireland, including Sinn Fein. The UK was now talking to Hizballah out of recognition of its political importance in Lebanon. "The U.S. needs to recognize political realities," Muallim insisted.

Hamas Has Opportunity to Do More Now

110. (S/NF) Feltman and Shapiro argued Syria should use its influence with Hamas to do more. Shapiro commented Hamas deserved its designation as a terrorist organization under U.S. law. Washington understood Syria had used its influence with Hamas, but at the end of the day, Hamas needed to take the necessary steps to indicate a willingness to be a productive partner in peace. At present, Hamas was doing the opposite, but it could send a positive signal by refraining from rocket attacks and smuggling of weapons, for example. Muallim replied he had been a negotiator for 18 years and had achieved nothing; by comparison, Hizballah's resistance had forced a unilateral Israeli withdrawal from Lebanon. Abbas had spent a lifetime (sic) negotiating, had achieved nothing, and was losing support. To convince the Palestinians that a two-state solution was still viable, it would be necessary to convince Hamas and PIJ to become part of the PLO and the PA; how they did so would have to be up to the Palestinians.

111. (S/NF) Feltman and Shapiro argued Hamas's actions and rhetoric had hurt efforts to promote peace. Muallim and Shabaan retorted the U.S. needed to do more to restrain Israel, which was acting to undermine the prospect for peace.

As Israel's friend, the U.S. needed to remind Israel that demographic trends would create an unmanageable situation without a two-state solution, commented Shaaban. The U.S. needed to recognize that the only way to shape Arab opinion was by creating a new dynamic in the region. The Arab press had been very critical of the Secretary's remarks during her trip through the region because they had ignored Israel's destruction of Gaza and continuation of settlement expansion in the West Bank. Feltman responded the Secretary had been very frank with Israeli officials but had carefully chosen the wording of her public remarks to avoid interfering in the Israeli government formation process. "We have to recognize that we could be the last generation to achieve peace," Shaaban said. "That's why we're here," replied Feltman.

¶12. (S/NF) In response to a question from the Charge, Muallim affirmed the SARG was negotiating with Hamas and PIJ to move them toward joining the Palestinian political process. Syria recognize that not doing so would likely trigger another Gaza conflict, which would be bad for the whole region. Muallim urged the U.S. to understand this approach would take time. "If I tell them (Hamas) to recognize Israel, they will ask when Israel is going to recognize them?" Muallim said. Shabaan interjected that Syria had not recognized Israel but was willing to negotiate with Israel; applying the same principle, the West should not make Hamas's recognition of Israel the first step.

¶13. (S/NF) Charge responded that if Hamas joined the PLO, it would presumably recognize Israel because the PLO had done so. She asked on what basis Hamas would be allocated representation in PLO institutions. "This is up to the Palestinians," Muallim retorted, clarifying that Syria supported Hamas's integration into the PA and PLO. Feltman observed there were many issues, such as determining the percentage of Hamas's representation in the PA and the PLO, which would require further thought. For the U.S., it was important for Hamas to recognize the opportunity to take concrete steps prior to any agreement on reconciliation that would positively influence how the international community dealt with it once these agreements were in place. Shapiro added that, even as the United States viewed Hamas as an organization that Syria ultimately should not want to host, Washington would positively view Syrian efforts to push Hamas toward more constructive positions, as the Syrian Foreign

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Minister suggested Syria had been doing. Muallim replied Hamas's representation in Damascus was purely political and was consistent with the Syrian policy of allowing a political presence for all the Palestinian factions. Syria supported the objective of achieving a comprehensive peace and believed the support of all the Palestinian factions would be necessary to achieve this goal. The Syrian side recognized and appreciated the constructive U.S. approach and willingness to address these issues without an agenda of pre-conditions, Muallim stated.

¶14. (S/NF) Feltman argued it would be very helpful to be able to demonstrate to Israel that the Palestinians were taking steps toward becoming a credible negotiating partner because Israel tended not to view the Palestinians and Syrians in the same way. Syria had abided scrupulously by its 1974 separation agreement with Israel, but there was a lack of comparable Palestinian behavior that would demonstrate a recognition of, and respect for the rules of the road. "People ask us why we haven't established a Syrian resistance," quipped Muallim. Feltman replied, "The Lebanese say you want to fight to the last Lebanese." "Perhaps we need to leave some of these issues for discussion with Senator Mitchell," Muallim concluded, unable to suppress a slight grin.

¶15. (S/NF) In a one-on-one session with Muallim after the meeting, Feltman argued it would be insufficient for Hamas to make constructive statements only after the formation of a

reconciliation government. Obliquely referring to the upcoming Salem Fayyad resignation, he said there might be Fatah gestures coming and it would be helpful if Syria could press Hamas to make positive gestures during the course of reconciliation discussions.

¶16. (SBU) Acting NEA A/S Feltman and NSC NENA Senior Director Shapiro cleared this cable.

CONNELLY